JAMAICA

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Key Economic Indicators

(Millions of U.S. Dollars unless otherwise indicated)

	1996	1997	1998	1/
Income, Production and Employment:				
Nominal GDP	5,486.5	6,198.9	6,646.9	
Real GDP Growth Rate 2/	-1.8	-2.4	0.5	
GDP (at Current Prices) by Sector:				
Agriculture, Forestry, and Fishing	456.3	495.7	N/A	
Mining and Quarrying	321.8	345.2	N/A	
Manufacturing	917.8	1009.2	N/A	
Construction and Installation	637.4	697.9	N/A	
Electricity and Water	124.2	123.7	N/A	
Transportation, Storage and Communication	590.9	695.4	N/A	
Retail Trade	1,237.5	1,424.2	N/A	
Real Estate Services	255.7	314.1	N/A	
Government Services	622.7	750.3	N/A	
Finance	70.3	43.6	N/A	
Other	251.6	299.6	N/A	
GDP Per Capita (US$)	2,177.2	2,459.9	2,681.3	
Labor Force (000's)	1,142.7	1,133.8	N/A	
Unemployment Rate (pct)	16.0	16.5	N/A	
Money and Prices (annual percentage growth):				
Money Supply Growth (M2) Dec-Dec	15.4	12.5	10.7	3/
Consumer Price Inflation	15.8	9.2	10.0	
Exchange Rate (J$/US$)	37.02	35.58	37.05	
Balance of Payments and Trade:				
Total Exports FOB	1,387.2	1,385.9	1,317.0	
Exports to U.S.	510.8	461.9	440.0	
Total Imports CIF	2,933.7	3,101.3	3,194.3	

Imports from U.S.	1,531.3	1,482.2	1,500.0
Trade Balance	-1,546.5	-1,715.4	-1,877.3
Balance with U.S.	-1,020.5	-1,020.3	-1,060.0
External Public Debt 4/	3,231.9	3,277.6	3,303.0
Fiscal Balance/GDP (pct) 5/	-7.2	-8.9	-4.6
Current Account Deficit/GDP	2.5	5.3	N/A
Debt Service Payments/GDP	26.0	25.0	N/A
Net Official Reserves 6/	706.6	545.3	616.9
Aid from U.S. 7/	26.4	24.7	22.0
Aid from Other Countries 8/	279.5	149.7	N/A

1/ 1998 figures are all estimates based on available monthly data as of October.
2/ Growth rate is based on Jamaican Dollars, whereas nominal GDP is shown in U.S. Dollars.
3/ September 1997 to September 1998.
4/ Figure as of September 1998.
5/ Jamaican Fiscal Year (April-March) deficit.
6/ Figure based on July 98.
7/ Estimates include Development, Food, and Military Assistance for FY 96, FY 97 and FY 98.
8/ Estimated commitments for development assistance from Jamaica's Cooperation Partners.

1. General Policy Framework

Jamaica is an import-oriented economy with imports of goods and services totaling two-thirds of GDP. In 1997, imports of raw material amounted to $1,551 million, while imports of consumer goods and capital goods amounted to $894 million and $656 million respectively. Tourism (13 percent of GDP), bauxite/alumina (10 percent of GDP), and manufacturing (18 percent of GDP) are the major pillars sustaining the economy. In 1997, these three sectors accounted for 75 percent ($2.35 billion) of the country's foreign exchange earnings. Remittances are also a significant source of income and bring in over $600 million annually. Both GDP and foreign exchange inflows are sensitive to external economic factors, particularly with respect to commodity prices and the services/tourism sector.

Jamaica has a work force of 1.13 million people, representing 66.3 percent of total population (14 years and over). About half of the labor force are age 35 and above. Sixty percent of Jamaica's workforce is employed in the services sector, contributing about 66 percent of GDP. Agriculture, which accounts for 8 percent of GDP, employs 22 percent of the workforce. The primary products are sugar, bananas, coffee and cocoa. The small size of the Jamaican economy and relatively high production costs (e.g., domestic interest rates) have reduced the contribution of the manufacturing sector over the last several years to about 18.1 percent of GDP in 1997. Although apparel still accounts for nearly three-quarters of non-traditional exports, the industry is contracting. Several factories closed in 1997 and in early 1998, following more than a dozen factory closures in 1996. Consequently, current employment in the apparel industry is down to approximately 20,000, a decline of 42 percent from peak employment in 1994.

The Jamaican economy suffered negative growth of 2.4 percent in 1997, following negative growth of 1.8 percent in 1996. Very little economic growth is expected during 1998. While there was some growth in bauxite/alumina, energy, construction, certain manufacturing sub sectors, and the tourism industry, other economic sectors such as agriculture, apparel, financial and other services continued along a recessionary path. Sustained high real interest rates, along with increasing uncertainty about the stability of the exchange rate, weakness in the financial sector, and lower levels of investment, continue to erode confidence in the productive sector. There has been growing unemployment/underemployment as a result of lower exports, falling domestic demand, and the restructuring of companies. Major cash crops (e.g. sugar and bananas) have been affected by both the high cost of production and prolonged, adverse weather conditions.

The government has introduced two initiatives, the National Poverty Eradication Policy and Program (NPEP) and the National Industrial Policy (NIP), to address the economic slowdown, high levels of underemployment and growing social tension. The NPEP seeks to reduce the number of persons in absolute poverty, with special emphasis on youth, who experience high levels of unemployment. The NPEP includes programs to facilitate skill acquisition and entrepreneurial training which will be backed by appropriate credit and business support services. These programs are intended to contribute to overall employment generation through self employment activities. The NIP was adopted by the government in March 1996 as a long-term strategy to achieve sustained economic growth and development. During the first year, the NIP's target was to achieve macro-economic stability by maintaining a stable exchange rate and reducing inflation and interest rates. These objectives were substantially achieved during the course of the year. The NIP's second phase, a three-year period beginning in 1997, aims at achieving stable growth with stability by stimulating investment and export diversification.

Since the end of 1995, the banking and insurance sector has experienced serious difficulties caused by a mismatch of assets and liabilities. The financial sector found itself holding real estate and other long term assets that could not be easily disposed of to meet short term obligations. Diversification away from core business interests, along with high costs of operation and interlocking ownership of insurance companies and banks also contributed to the collapse of many Jamaican-owned financial institutions.

FINSAC (the Financial Sector Adjustment Company) is a government agency established in February 1997 to provide funding and to reorganize illiquid financial institutions. FINSAC is now in the second and third phases of restructuring and divesting the assets of these institutions. In the first phase, the government acquired control of a large number of financial institutions by injecting capital through preference or ordinary shares or the payoff of deposit liabilities through new deposit accounts. These interventions have amounted to J$73.5 billion or about $2 billion so far. In the process, FINSAC acquired a large share of equity in four of the island's nine commercial banks, five of the 12 life insurance companies, a portfolio of real estate (including 11 hotels) and a portfolio of nonperforming loans with a face value of J$20 billion or $548 million.

Other support programs to bolster the economy include equity funding from the public sector financial institutions through the National Investment Bank of Jamaica (NIBJ). The government has provided both financial and technical assistance to the export apparel sector and the coffee industry in order to prevent the collapse of these industries. The government recently took control over the island's failing sugar industry, which was divested in 1996, from the private sector.

The Jamaican Fiscal Year (JFY) April 1998/March 99 budget calls for J$130.1 billion in outlays. This reflects a 13 percent increase over the revised 1997/98 budget. For JFY 1998/99, recurrent expenditure is estimated at J$85.1 billion and capital expenditure at J$45 billion. Debt servicing accounts for 52 percent of the total budget, followed by: social and community services (22.2 percent); general government services (8.4 percent); economic development (7.5 percent); defense affairs, public order and safety (6.5 percent); with the balance applied to unallocated expenditures (3.6 percent).

The Bank of Jamaica (BOJ) expects to finance 62 percent of the J$130.1 billion budget with the expected total revenue of J$80.9 billion which includes: recurrent revenue, tax and non-tax; capital revenue (royalties, land sales, loan repayments, divestments); and, transfers from the capital development fund (including the bauxite levy). The balance will come from debt: external, J$19.1 billion (or 41.4 percent of the total deficit) and internal, J$27 billion. The stated goal of the FY98/99 budget (April-March) was to reduce the deficit from 9.2 percent of gross domestic product in FY 1997/98 to 4.6 percent of GDP in FY 1998/99. The fiscal strategy called for a combination of improved revenue collection as well as expenditure containment. However, during the quarter in review, the fiscal deficit grew to J$7.6 billion, which was 1.3 billion more than projected. Although total expenditure declined by 6 percent, J$1.56 billion less than projected, revenue inflows also fell as a result of a lower rate of tax compliance, a slowdown in overall economic activity, and lower than expected income from new taxes. The key challenge to the government now is to find a critical balance between monetary and fiscal policies that will create economic growth and reduce social tension.

The BOJ continued its tight monetary policy to absorb excess liquidity by issuing long term securities (local registered stock) and short-term treasury bills. After reaching a peak of 44.8 percent in April 1996, interest on government obligations fell to 17.7 percent in August 1997. After spiking again to 29.7 percent in January 1998, the rate inched down to 24.3 percent in October 1998. However, another increase is predicted by the end of the year. Increases in T-Bill rates have affected commercial bank lending rates. In September 1998, the lending rates averaged about 44 percent. Lending rates are expected to rise in step with T-Bill rates. Interest payments on maturing securities have served to increase liquidity, necessitating additional debt offerings.

The BOJ lowered the cash reserve requirement of commercial banks in August 1998 from 25 percent to 23 percent. The rate is expected to be lowered further by at least one percentage point every three months to an eventual 17 percent. Approximately 45 percent of commercial banks deposits are left with the central bank as a reserve (23 percent is a cash reserve requirement which earns no interest and the balance in liquid assets). Other institutions, such as merchant banks and trust companies, also have deposit and cash reserve requirements at lower levels. In response to the reduction of the cash reserve requirement, Jamaica’s second largest bank (Scotia Bank) recently announced a new loan offer of up to J$1.3 billion (about $35 million) for the productive sector at 8.5 percent interest in order to bolster the productive sector.

This sum, however, constitutes only about two percent of the loan portfolio of the commercial banks. Loan default rates at commercial banks are estimated at about 25 percent.

The government raised $250 million on the international capital market in early 1998, and expects to raise a further $150 million locally to support the fiscal deficit and balance of payment needs.

Net International Reserves are approximately $617 million, the equivalent of 17 weeks of imports, down from a peak of $716 million in January 1997.

2. Exchange Rate Policy

On September 26, 1991, exchange controls were eliminated to allow for free competition in the foreign exchange market. The principal remaining restriction is that foreign exchange transactions must be done through an authorized dealer. Licenses are regulated. Any company or person required to make payments to the government by agreement or law (such as the levy and royalty due on bauxite) will continue to make such payments directly to the BOJ. Five percent of foreign exchange purchases by authorized dealers (commercial banks and cambios) must be paid directly to the BOJ. In addition, according to an agreement between the Petroleum Company of Jamaica (PETROJAM) and the commercial banks, 10 percent of foreign exchange purchases go to PETROJAM.

As of October 30, 1998, the exchange rate was J$37.05 to $1.00.

3. Structural Policies

The Fair Competition Act was introduced in 1993 in order to create an environment of free and fair competition and to provide consumer protection. Prices are generally determined by free market forces; however, certain public utility charges such as bus fares, water, electricity, and telecommunications are still subject to price controls and can be changed only with government approval.

Taxation accounts for 93 percent of total recurrent and capital revenue. Major sources of tax revenue include: personal income tax (39.6 percent of tax revenue), value-added tax (29.5 percent) and import duties (11.1 percent). Based on the first quarter results of the budget, this year's budget deficit could turn out to be larger than forecast, since the projected budget is based on assumptions (substantial returns from tougher tax collection efforts, a sharp drop in public employee wage increases, returns on sales of assets by financial institutions which the government has taken over, a resumption of economic growth), which have not yet materialized, at least to the extent the government hoped.

Jamaica implemented the Caribbean Economic Community (CARICOM) Common External Tariff (CET) on February 15, 1991. Under the CET, goods produced in CARICOM states are not subject to import duty. Third-country imports are subject to import duties ranging between 0 percent and 25 percent, with higher rates applicable to certain agricultural items (for example, a maximum of 75 percent applied to milk). In addition to the CET, all items (except certain basic foods) carry a 15 percent general consumption tax; alcoholic beverages and tobacco imports carry an additional stamp duty of 34-56 percent, and a special consumption tax of 5.0-39.9 percent. Non-basic, finished goods, and goods competing with those produced in CARICOM states carry higher duty rates. The tariff rate that was scheduled to be phased down to a range of 0 to 20 percent by January 1998 has not yet been implemented. The government offers incentives to approved foreign investors that eliminate or reduce taxes, including income-tax holidays and duty-free importation of capital goods and raw materials.

All monopoly rights of the Jamaica Commodity Trading Company (JCTC) ceased December 31, 1991, but it retains responsibility for the procurement of commodities under government to government agreements such as the P.L. 480 program. The embassy is unaware of any government regulatory policy that would have a significant discriminatory or adverse impact on U.S. exports.

4. Debt Management Policies

Jamaica's stock of external (foreign) debt was $3.3 billion (50 percent of GDP) in September, 1998. About 47 percent of this debt is owed to bilateral donors (the United States is the largest bilateral creditor), 36 percent to multilateral institutions (down due to a policy decision to reduce dependence on the IMF), 10 percent to private creditors (8 percent to commercial banks; 2 percent to other commercial institutions), and the remaining 7 percent to bond holders.

Actual debt-servicing during 1997 accounted for 16.76 percent ($523.07 million) of exports of goods and services, of which 34.1 percent represents interest payments. The ratio of total outstanding external debt to exports of goods and services decreased from 177.6 percent in 1990, to 100.3 percent in 1996 as a result of debt reduction efforts and improvements in exports, but has since climbed to 105.04 percent in 1997. The 1997 external debt per capita was $1,300, an increase of 1.3 percent over 1996.

Debt-servicing continues to be a major burden on the government's budget, accounting for some 52 percent of total outlays. In 1995 Jamaica ended its borrowing relationship with the IMF, but it continues repayment to the IMF thus contributing to the reduction of the debt burden. In 1995 Jamaica also completed its multi-year rescheduling arrangement with the Paris Club, negotiated in 1992. The arrangement provided for rescheduling of $281.2 million of principal and interest for the period October 1992 to September 1995.

Jamaica's internal debt has ballooned in recent years from J$23.4 billion in 1993 to J$49.1 billion in 1994, to J $59.5 billion in 1995, to J$77.7 billion in 1996 and to J$101.6 billion in 1997. As of August 1998, the internal debt stood at J$110.1 billion. The main factors contributing to the increased internal debt were: (a) neutralizing the effect of increased domestic liquidity from the net international reserve accumulation; (b) budgetary financing; (c) liquidity support to commercial banks; and (d) intervening to absorb excess liquidity to maintain a stable exchange rate of the Jamaican Dollar. Domestic debt is composed of government securities such as: T-Bills (10.9 percent), local registered stock (71.9 percent), bonds (10.4 percent), and loans from commercial banks and other entities (6.7 percent).

5. Aid

In 1997, Jamaica received $174.4 million of official development assistance from multilateral agencies and other countries on a bilateral basis reflecting a decline of 43 percent over 1996. Bilateral sources contributed $59.2 million, while multilateral financial institutions contributed loans and grants valued at $115.2 million.

The United States is a major aid contributor. In FY 1998, $11.34 million was disbursed as development assistance, $5 million was provided under the P.L. 480 program, and another $5.63 million as military aid. In addition, there were 100 Peace Corps personnel who provided technical assistance in the areas of health, education, environment and small business development.

6. Significant Barriers to U.S. Exports

Import Licenses: Although considerable headway has been made in the area of trade liberalization, some items still require an import license, including: milk powder, plants and parts of plants for perfume or pharmaceutical purposes, gum-resins, vegetable saps and extracts, certain chemicals, motor vehicles, arms and ammunition, certain toys, such as water pistols, and gaming machines.

Services Barriers: Foreign investors are now encouraged to invest in almost any area of the economy. However, there are still certain restrictions in the communications field. Under an agreement with the government, the British firm Cable and Wireless enjoys monopoly rights until 2013. Under the new cable television policy, preference is given in granting licenses to companies that are incorporated in Jamaica and in which majority ownership and controlling interest are held by Jamaican or CARICOM nationals. In most other areas, there do not appear to be any economic or industrial strategies that have discriminatory effects on foreign-owned investments.

Standards, Testing, Labeling, and Certification: The Jamaican Bureau of Standards administers the Standards Act, the Processed Food Act and the Weights and Measures Act. Products imported into Jamaica must meet the requirements of these acts. These include requirements for labeling. Items sold in Jamaica must conform to recognized international quality specifications. In most cases, Jamaica follows U.S. standards. In recent years, the bureau has become increasingly vigilant in terms of monitoring the quality of products sold on the local market. The quarantine division inspects and determines standards in the case of live animals. Meat imports may be inspected by the Ministry of Health. In 1995, an amendment to the Weights and Measures Act was passed aimed at enforcing compliance with the metric system of measurement. Imported goods are expected to conform to the metric system.

Investment Barriers: The government welcomes foreign investment and there are no policies or regulations reserving areas exclusively to Jamaicans. Although foreigners are not excluded from participation in privatization/divestment activities, the government appears to favor the sale of such assets to national investors. While each investment proposal is assessed on its own merits, investments are preferred in areas which may increase productive output, use domestic raw materials, earn or save foreign exchange, generate employment, or introduce new technology. The screening mechanisms are standard and nondiscriminatory. The main criterion is the credit-worthiness of the company. Environmental impact assessments are required for new developments. Although both foreign and domestic companies have complained that “red tape” is a hindrance in doing business, foreign investors are treated the same as domestic investors before and after investment.

Government Procurement Practices: Government procurement is generally done through open tenders. U.S. firms are eligible to bid. The range of manufactured goods produced locally is relatively small, so instances of foreign goods competing with domestic manufacturers are very few. According to recent reports a new procurement regulation is currently being developed by the government which will supersede existing guidelines on how goods and supplies, services and civil works are acquired with public funds. A procurement policy implementation unit is being proposed to be established in the Ministry of Finance and Planning. In addition, the role of the Contractor General will be extended from auditing the award of contracts to supporting the evaluation and award of contracts.

Customs Procedures: The customs department has recently been computerized. As of November 1, all customs entries will be processed electronically in order to facilitate brokers and other customers. However, domestic and foreign business are likely to face some difficulties until the customs procedures are streamlined.

Anti-Dumping Laws: A draft bill upgrading anti-dumping laws was recently submitted to the parliament for approval. The bill provides for the establishment of an Anti-Dumping and Subsidies Commission. Other provisions include the imposition of anti-dumping and countervailing duties on goods which are found to have been dumped or subsidized and the exemption of goods from the application of the act.

7. Export Subsidies Policies

The export industry encouragement act allows approved export manufacturers access to duty-free imported raw materials and capital goods for a maximum of ten years. Other benefits are available from the Jamaican Government's Export-Import Bank, including access to preferential financing through the discounting of export receivables (to the extent of 80 percent of export value at 12 percent), lines of credit, and export credit insurance.

In December 1996, the government launched phase one of a special assistance program for the export apparel industry. The objective was to improve competitiveness by encouraging companies to make structural changes and implement operational efficiencies. The program targeted the reduction of operational costs, specifically in the areas of rent, security and financing. During phase one, a grant of J$40 million ($1.1 million) was made available to cover five percent of the companies' costs. Phase two of the program (August 1997 to March 1998), which has now been extended to March 1999**,** provides an additional J$160 million ($4.4 million) to encourage the broader development of the industry, particularly in those areas which will enhance long-term competitiveness. Benefits include loan financing (working capital) through the EXIM bank at 12 percent, debt restructuring for local companies through the national investment BOJ at 18 percent, and financing for retooling of factories for expansion through National Development Bank at 13 percent.

8. Protection of U.S. Intellectual Property

Jamaica belongs to the World Trade Organization (WTO) and the World Intellectual Property Organization (WIPO), and is a signatory to the Berne Convention, Rome Convention, Phonograms Convention, and the Nairobi Treaty. In 1998, the U.S. Trade Representative placed Jamaica on the "Special 301" Watch List.

The Jamaican Parliament is considering legislation to protect and facilitate the acquisition and disposition of all property rights, including intellectual property. This legislation would bring Jamaica into conformity with WTO requirements for the protection of intellectual property. In March 1994, Jamaica and the United States signed a Bilateral Intellectual Property Rights

(IPR) Agreement. A Bilateral Investment Treaty (BIT), which took effect in March 1997, also contains obligations to respect intellectual property.

Jamaican law addresses major areas of intellectual property rights protection. However, while amended laws on copyright and trademarks have reached an advanced stage, patent laws require further review to be consistent with international agreements. Remedies available include injunctions, damages, seizure, and disposal/destruction of infringing goods. Penalties may include fines or imprisonment. Levels of IPR enforcement are limited by overall demands on police and overburdened courts. The government is attempting to deal with the lack of public awareness through seminars and publications.

Patents: A draft bill on patents has been completed and is now subject to review by the legislative committee to determine if it is in compliance with the WTO TRIPS Agreement. New amendments to the Copyright Act include the conferment of protection on compilation works such as databases. The Act also grants protection for encrypted transmissions, broadcasting, and cable program services, and includes a right of action against persons who knowingly infringe those rights for commercial gain.

Trademarks: Litigation is a viable option in protecting intellectual property. In 1997, in individual lawsuits in Jamaican courts, the U.S. corporations McDonald's and K-Mart successfully defended their names and service marks against trademark infringement.

Copyright: Video piracy is frequent, and the unauthorized re-broadcast of satellite television programs by Jamaican cable operators takes place. Although licensing for broadcasts is required for subscription television, some unlicensed cable operators conduct business illegally. The broadcasting commission has indicated that it has started taking steps to terminate such activity. All licensees are required to obtain permission from program providers before re-broadcasting.

9. Worker Rights

a. *The Right of Association:* The Jamaican Constitution guarantees the rights of assembly and association, freedom of speech, and protection of private property. These rights are widely observed.

b. *The Right to Organize and Bargain Collectively:* Article 23 of the Jamaican Constitution guarantees the right to form, join and belong to trade unions. This right is freely exercised. Collective bargaining is widely used as a means of settling disputes. Industrial actions (generally brief strikes) are frequently employed in both private and public sector disputes. The Labor Relations and Industrial Disputes Act (LRIDA) codifies regulations on worker rights. About 15 percent of the work force is unionized, and unions have historically played an important economic and political role in Jamaican affairs. The public sector is highly unionized. Throughout 1997, the Ministry of Finance has been negotiating new two-year agreements covering tens of thousands of public sector employees. Reduced levels of inflation have enabled government negotiators to avoid budget-busting public sector salary increases.

No free trade zone factory is unionized. Jamaica's largest unions claim this is because unionization is discouraged in the zones. The ongoing contraction of the apparel industry and a lack of alternatives for its workforce (largely female heads of household, with minimal qualifications for other employment) are additional disincentives for unionization at the present time. However, in tourist areas, workers are often drawn away by more attractive employment opportunities in the local tourism sector.

c. *Prohibition of Forced or Compulsory Labor:* Forced or compulsory labor is not practiced. Jamaica is a party to the relevant ILO conventions.

d. *Minimum Age for Employment of Children:* The Juvenile Act prohibits child labor, defined as the employment of children under the age of twelve, except for parents or guardians in domestic, agricultural, or horticultural work. While children are observed peddling goods and services, child labor is not institutionalized. Both government and societal views are intolerant of the practice, and the use of child labor in formal industries such as textiles/apparel is virtually non-existent.

e. *Acceptable Conditions of Work:* A 40-hour week with 8-hour days is standard, with overtime and holiday pay at time-and-a-half and double time, respectively. The minimum wage is J$800 for a 40-hour week or J$20 per hour. There are frequently additional allowances (e.g. for transportation, meals, clothing, etc.). Unemployment compensation or "redundancy pay" is included in the negotiation of specific wage and benefit packages. Jamaican law requires all factories to be registered, inspected and approved by the Ministry of Labor. Inspections are limited by scarce resources and a narrow legal definition of "factory."

f. *Rights in Sectors with U.S. Investment:* U.S. investment in Jamaica is concentrated in the bauxite/alumina industry, petroleum products marketing, food and related products, light manufacturing (mainly in-bond apparel assembly), banking, tourism, data processing, and office machine sales and distribution. Worker rights are respected in these sectors and most of the firms involved are unionized, with the important exception of the garment assembly firms. No garment assembly firms in the free trade zones are unionized; some outside the zones are unionized. There have been no reports of U.S.-related firms abridging standards of acceptable working conditions. Wages in U.S.-owned companies generally exceed the industry average.

Extent of U.S. Investment in Selected Industries -- U.S. Direct Investment Position Abroad on an Historical Cost Basis **--** 1997

(Millions of U.S. Dollars)

Category		Amount
Petroleum		(1)
Total Manufacturing		139
Food & Kindred Products	-1	
Chemicals & Allied Products	100	
Primary & Fabricated Metals	0	
Industrial Machinery and Equipment	0	
Electric & Electronic Equipment	0	
Transportation Equipment	0	
Other Manufacturing	39	
Wholesale Trade		1,401
Banking		15
Finance/Insurance/Real Estate		6
Services		33
Other Industries		(1)
TOTAL ALL INDUSTRIES		1,687

(1) Suppressed to avoid disclosing data of individual companies.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.